

Industrialisatiepolitiek rondom de jaren vijftig : een sociologisch-economische beleidsstudie

Citation for published version (APA):

Dercksen, W. J. (1986). *Industrialisatiepolitiek rondom de jaren vijftig : een sociologisch-economische beleidsstudie*. [Doctoral Thesis, Maastricht University]. Van Gorcum.
<https://doi.org/10.26481/dis.19860926wd>

Document status and date:

Published: 01/01/1986

DOI:

[10.26481/dis.19860926wd](https://doi.org/10.26481/dis.19860926wd)

Document Version:

Publisher's PDF, also known as Version of record

Please check the document version of this publication:

- A submitted manuscript is the version of the article upon submission and before peer-review. There can be important differences between the submitted version and the official published version of record. People interested in the research are advised to contact the author for the final version of the publication, or visit the DOI to the publisher's website.
- The final author version and the galley proof are versions of the publication after peer review.
- The final published version features the final layout of the paper including the volume, issue and page numbers.

[Link to publication](#)

General rights

Copyright and moral rights for the publications made accessible in the public portal are retained by the authors and/or other copyright owners and it is a condition of accessing publications that users recognise and abide by the legal requirements associated with these rights.

- Users may download and print one copy of any publication from the public portal for the purpose of private study or research.
- You may not further distribute the material or use it for any profit-making activity or commercial gain
- You may freely distribute the URL identifying the publication in the public portal.

If the publication is distributed under the terms of Article 25fa of the Dutch Copyright Act, indicated by the "Taverne" license above, please follow below link for the End User Agreement:

www.umlib.nl/taverne-license

Take down policy

If you believe that this document breaches copyright please contact us at:

repository@maastrichtuniversity.nl

providing details and we will investigate your claim.

SUMMARY

This study deals with industrialization policy in the Netherlands from 1949 to 1963. Many policy-makers and commentators consider this policy to be very successful. The first moves towards a re-industrialization policy in the 1980's are partly inspired by the experiences around the 1950's. This study presents a description, analysis and evaluation of the Dutch industrialization policy around the 1950's. A great deal of attention is given to the views and influences of political parties, employers organizations and unions. To a certain extent the first two postwar decennia are a highlight in Dutch corporatism.

The central questions in this study are: How was the industrialization policy pursued around the 1950's? What were the political and (perceived) economic determinants of this policy? What were the results and the consequences with regard to the interweavings of state and manufacturing industry?

During this period industrialization policy was a denominator for a variety of policy measures. In separate chapters these policy measures are treated as far as they concern industrialization: wage and price policy, fiscal policy, financial policy, productivity policy, technology policy, (technical) educational policy and regional policy. In a concluding chapter the separate industrialization-political inputs are analyzed as a whole with reference to the sociological theory of neo-corporatism. This study can be characterized as a sociological-economic study in government policy.

Chapter 1 characterizes the industrialization policy around the 1950's as a good example of a coordinated project of government policy. In spite of the strong social-democratic wish for a centrally planned industrialization policy based on a central investment plan - a wish articulated during the first postwar years - the official policy only complemented 'the invisible hand'. However, most government measures did not aim at producing pure collective goods. At least in theory, market alternatives were available for most policy measures. Industrialization policy was one of the ways in which the postwar mixed economy was generated.

Chapter 2 deals with the centrally guided wage policy. This policy, which was unique in the western world after the first years of postwar recovery, became an important part of industrialization policy. The wages of about 80 percent of the dependent work-force were controlled by the government; in this period the approval by government of collective agreements was legally required. The government intended to support the export of industrial goods by means of relatively low wages. That would offer the Dutch manufacturers a competitive advantage on the world market. The wage policy was supplemented by a price policy. The government had the legal possibility to interfere with price increases. However, a general interference with prices was only practiced in 1949, 1951 and 1954 (in all these years only for a few months). Moderate price increases were considered as a necessary condition for moderate nominal wage increases. After a critical evaluation of econometrical research on

this subject, Chapter 2 concludes that it is nearly impossible to measure the effects of wage policy on the factual development of wages in this period. Only the equalizing effects on the wages of workers can be and are proven.

Chapter 3 deals with fiscal policies as far as they concern industrialization. Fiscal policy is qualified as supply-side orientated. The government spared the tax on company profits in comparison to income tax. Corporate tax was not differentiated to withhold company profits and dividends as was the case in Germany during this period. This implies that in comparison to Germany, Dutch corporate tax was less favourable to the mobility of capital.

Chapter 4 deals with the government's financial policies towards industrialization. In general the government tried to support the self-financing of industrial investments by means of favourable corporate tax and low wages. In addition to this policy, a state investment company was founded in 1945; later the government supported the foundation of other investment institutions. In the years 1949-1963, the financing of 30 percent of industrial investments were of public origin. The bulk of these were investments by public utility companies.

In the beginning of the industrialization period both the social-democratic and the Roman Catholic political party and trade unions were committed to a legal introduction of capital ownership by workers as compensation for low wages because of the wage policy. During the 1950's and 1960's many studies were carried out on capital sharing, but no concrete measures were undertaken. On the other hand the self-financing by companies of (new) investments reached a new height.

Chapter 5 deals with policies towards productivity growth in manufacturing industry. This part of the industrialization policy was mainly executed by the tripartite productivity council 'Contactgroep Opvoering Productiviteit' (COP). The COP received financial support from the Marshall Fund and the Dutch government. The productivity work aimed at improving the division of labour in and between industries and the efficiency of industries. The main results of the COP work were: a broader knowledge of the productivity idea in general and scientific management (Taylor) and human relations (Mayo) in particular; the launching of productivity and research centres in branches of industry; stimuli to standardization and normalization, shiftwork, job evaluation and merit rating. Because the COP was a tripartite institution, a strong basis for its output was assured.

In the 1950's the technology policy, dealt with in Chapter 6, was not a fully developed part of government policy. The Department of Economic Affairs gave increasing attention to technological innovation. The main policy measures taken by the department to advance innovation were subsidies to private firms for the development of new products, the acquisition of foreign investments, the introduction of nuclear energy in the Netherlands and subsidies to (the launching of) research institutes. A whole infrastructure of research institutes was set up at this time; most of them with public funds although their corporate structure was private.

During the industrialization period a great deal of attention was paid to technical education (Chapter 7). The scope of technical education was broadened, the contents reformed and more male students

were attracted to it. Especially the lower technical school and the apprenticeship system were drastically reformed. Also a connection was created between the lower and higher technical schools. The importance of the technical educational policy was legitimized with reference to the qualification function of the educational system. One large problem in the educational system remained unsolved (until now). In the Netherlands technical education is considered second-rate education. It is nearly impossible for youngsters to switch to general education when they have initially "chosen" for technical education. Switching from general to technical, however, is definitely possible.

The setting up of a regional industrialization policy was another postwar innovation in government policy. This policy was primarily supply-side orientated. The Department of Economic Affairs selected problem areas with a relatively high and structural unemployment for which special measures were taken: the laying out of traffic provisions, industrial estates, public utilities and technical schools and subsidies to improve the mobility of capital and labour. The industrial employment situation in the problem areas improved in the 1950's. However, it is difficult to prove whether this was a result of government policy or of the shortage of labour in the non-problem areas in the Netherlands. Probably both factors were responsible for the reduction in the structural unemployment in the problem areas.

Chapter 9 gives an analysis and evaluation of the industrialization policy as a whole. Two important observations are considered. The first observation is that for most policy measures market alternatives were available. The second is that the eventual effectiveness of most policy measures cannot be proven in a scientific way. Both observations imply that the process of decision making is of great importance, both in practice (as other forms of government policy, industrialization policy is a matter of political entrepreneurship) and upon scientific reflection.

An analysis of the process of industrialization-political decision making shows three relevant structures in this respect. First, corporatist structures of decision making are found in areas which concerned the use of the labour production factor (wage policy, productivity policy and to a certain extent technical educational policy). Secondly, a mixture of private decision making and collective finance is called privatist ('particularistische') decision making. These kind of structures of decision making are found in areas which concerned the use of the capital production factor (finance policy and technology policy). Finally, governmental structures of decision making (structures where interest groups are not formally involved in decision making) are found in the areas of fiscal policy, regional industrialization policy and parts of the technical educational policy.

This study shows that in industrialization policy corporatist as well as privatist structures of decision making generated in different ways a great societal support for government interventions in areas concerning the use of the labour and capital production factors. The advantage of consensus is the possible effect of synergy between policy makers and policy receivers; the chance that government policies are obstructed is minimized when interest groups are involved in decision making.